

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 98-146-C - ORDER NO. 98-466

JUNE 22, 1998

IN RE: Application of Frontier Corporation, Allnet	)	ORDER APPROVING	✓pe
Communications Services DBA Frontier	)	REORGANIZATION	
Communications Services, and Frontier	)	AND RELATED	
Communications of the West for Authority to	)	TRANSACTIONS	
Reorganize and Approval of Related	)		
Transactions.	)		

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Frontier Corporation (Frontier), Allnet Communication Services d/b/a Frontier Communications Services (FCS), and Frontier Communications of the West (FCW) (together, the Companies) for authority to reorganize their corporate structure and operations and to complete a series of transactions related thereto. The Companies seek the consolidation of Frontier's retail interexchange operations into a single entity, which is FCS. In order to accomplish the consolidation, the Companies seek to transfer to FCS selected FCW assets related to its retail interexchange operations. After the transfer, FCW will continue to operate as a provider of wholesale interexchange services to other telecommunications services providers.

The Commission's Executive Director ordered the Companies to publish a Notice of Filing, one time, in newspapers of general circulation in the areas affected by the

Application. The purpose of the Notice was to allow public participation in the proceeding. No Protests or Petitions to Intervene were received.

Subsequently, the Companies filed a Motion for Expedited Review of the Application, and a waiver of the hearing, since no intervention had occurred. The Companies filed verified testimony of Michael J. Shortley, III, Senior Attorney and Director of Regulatory Services for Frontier Corporation.

We grant the Motion for Expedited Review. However, we note that S.C. Code Ann. Section 58-9-310 (Supp. 1997) requires that a “due hearing” occur before approval of any merger. We hold that the weekly Commission meeting of June 2, 1998 constitutes the “due hearing” in the present case, since this public meeting was where this matter came up for discussion, and verified written testimony was available.

The testimony of Shortley supports the Application.

We grant the Application as filed. The Companies may reorganize as requested and carry out the related transactions. We think this is very reasonable under the circumstances.


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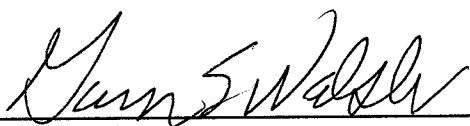
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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)